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### COMMONWEALTH OF VIRGINIA

## STATE CORPORATION COMMISSION

AT RICHMOND, MAY 27, 1998

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

Ex Parte: In the matter of revising the telephone relay service surcharge pursuant to Article 5, Chapter 15, Title 56 of the Code of Virginia

CASE NO. PUC980056

# ORDER

The 1998 Session of the Virginia General Assembly reauthorized the continuation of the Virginia Telecommunications Relay Center to furnish telephone relay service ("TRS"). In the Joint Conference Committee Report on House Bill No. 30, 1998 Session March 17, 1998, at p.48, the General Assembly specifically instructed the Department of Information Technology to require, in developing a request for proposals, that (1) the relay center be located in Norton, Virginia; (2) a minimum employment level of 104 full-time communications assistants be maintained; and (3) the contract be renewable for up to five years. These criteria effectively limit the bidding for the contract to furnish relay service to a single vendor.

By Order of October 5, 1990, in Case No. PUC900029, the Commission established the assessment, collection and

disbursement of rate surcharges authorized by § 56-484.6 of the Code of Virginia in order to fund the relay center. Pursuant to that section and the directives of the General Assembly, it is the Commission's duty to assure adequate revenues to fund operation of the relay center in accordance with the conditions described above. The Department of Information Technology and AT&T Communications have reached an agreement that conforms to the General Assembly directives and substantially increases the per-minute charges for AT&T to operate the relay center under the conditions imposed. Based upon those charges, the Commission has determined that the ten cents surcharge established by our order of October 5, 1990, must be increased to sixteen cents in order to produce sufficient revenues to fund the operation of the relay center for the fiscal year commencing July 1, 1998. Accordingly,

### IT IS THEREFORE ORDERED THAT:

- (1) This matter is hereby docketed and assigned Case No. PUC980056.
- (2) Commencing with telephone service rendered on and after September 1, 1998, each Virginia local exchange company ("LEC") shall impose a \$.16 per month surcharge on each access line or equivalent Centrex access line and shall continue such surcharge monthly until further order of the Commission. LECs shall notify their customers of the increased surcharge. LECs shall continue to identify the surcharge on each customer bill as a line item

named "Virginia Relay Center surcharge" or a suitable abbreviation of that phrase.

- (3) Each Virginia LEC, on October 1, 1998, and monthly thereafter, shall, pursuant to instructions from the Director of the Division of Public Service Taxation, pay over to the Commission's Division of Public Service Taxation the funds collected from the surcharge, less a 2% commission as authorized by § 56-484.6B of the Code of Virginia.
- (4) All Virginia LECs shall continue to comply with the Commission's Order of October 5, 1990, in Case No. PUC900029. In addition, all LECs shall (1) apply a total service uncollectible allowance, and (2) determine Centrex access line equivalents in the manner described in the Staff Report on Telecommunications Relay Services Remittances for the Three Years Ending June 30, 1996, produced by the Division of Public Utility Accounting. All reports or information required by this Order, by that previous order, or as needed by the Commission's Divisions of Public Service Taxation, Public Utility Accounting, Economics and Finance, or Communications concerning the Virginia Relay Center shall be submitted to those divisions.
- (5) This matter is continued generally and this docket shall remain open to address any additional matters that may arise concerning funding of the Virginia Relay Center.